

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4116-01
Bill No.: SB 1134
Subject: Education, Elementary and Secondary: Elementary and Secondary Education Dept
Type: Original
Date: February 23, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	\$0	(\$42,370)	(\$1,413,949)
Total Estimated Net Effect on General Revenue Fund*	\$0	(\$42,370)	(\$1,413,949)

*Subject to Appropriation; language indicates "shall"

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Missouri Junior/Senior Cadets Fund	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds*	\$0	\$0	\$0

* Offsetting Transfers In and Transfers Out Total \$1,374,386 for FY 07

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Treasurer (STO)** stated there would be no fiscal impact to STO.

Officials from the **Kansas City Missouri School District** stated this proposal, as written, would have no fiscal impact on their district.

Officials from the **Columbia Public Schools** indicated no fiscal impact to their district, but there would be cost to the state.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume DESE must provide oversight of this program and would need 1.0 FTE Administrative Assistant to provide program oversight, process student information, and field program questions from students and districts. Current staff would handle payments and programmatic areas.

DESE assumed costs of this proposal using these assumptions:

1) Number of seniors calculated per State Profile XV – Fall Enrollment, Average Daily Attendance, Eligible Pupils Projections

ASSUMPTION (continued)

2) DESE used a 5% participation level for calculation purposes; however, the actual level of participation is unknown and may be more or less than 5%.

3) \$156.19 average per credit hour cost based on FY 04 Comprehensive Fee Schedule Report from Coordinating Board for Higher Education.

FY2005	
58,663	FY05 Seniors
0.05	Level of participation
2,933.15	estimated total students eligible
\$ 156.19	Average cost per credit hour
\$ 458,128.70	One semester total cost
\$ 1,374,386.10	Current year total cost (possibility of three semesters)
FY2006	
\$ 1,374,386.10	FY04 Seniors Total (from above)
58,480	FY05 Seniors
0.05	Level of participation
2,924.00	estimated total students eligible
\$ 156.19	Average cost per credit hour
\$ 456,699.56	One semester total cost
\$ 1,370,098.68	Current year total cost (possibility of three semesters)
\$ 2,744,484.78	Current year and prior year eligible
FY2007	
\$916,257.40	FY04 Seniors Total (only two semesters left)
\$ 1,370,098.68	FY05 Seniors Total (from above)
58,835	FY06 Seniors
0.05	Level of participation
2,941.75	estimated total students eligible
\$ 156.19	Average cost per credit hour
\$ 459,471.93	One semester total cost
\$ 1,378,415.80	Current year total cost (possibility of three semesters)
\$ 3,664,771.87	Current year and prior year eligible

ASSUMPTION (continued)

DESE also assumes that from a district's perspective, there would be costs and issues related to this program, including tracking student mentoring hours, ensuring compliance with eligibility requirements, completing reports and submitting them to the Department for payment.

Oversight assumes that school year 04-05 programs will already be set up by this time this proposal would be effective (August 28, 2004) so this program will not be implemented until school year 05-06 (FY 06) and reimbursements will not begin until FY 07 for the first year of eligible students. **Oversight** has, for fiscal note purposes only, adjusted the salary and benefits of the Administrative Assistant III to correspond with the range for starting salaries paid by DESE in 2002 for comparable positions and has excluded travel costs of \$4,500 annually, assuming the programs could be administered with minimal travel. **Oversight** assumes this position will only be necessary if funds are appropriated for the Missouri Junior/Senior Cadets Program.

Saint Louis Public Schools, Nixa Public School District, and Parkway School District did not respond to our request for fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
GENERAL REVENUE			
<u>Cost</u> - Dept of Elementary and Secondary Education-Junior/Senior Cadets Program			
Personal Costs (1 FTE)	\$0	(\$26,299)	(\$26,957)
Fringe Benefits	\$0	(\$10,643)	(\$10,909)
Expense and Equipment	<u>\$0</u>	<u>(\$5,428)</u>	<u>(\$1,697)</u>
Total Administrative Costs	\$0	(\$42,370)	(\$39,563)
 <u>Cost</u> - DESE - Reimbursements for Cadet Program	 <u>\$0</u>	 <u>\$0</u>	 <u>(\$1,374,386)</u>
 ESTIMATED NET EFFECT ON GENERAL REVENUE FUND*	 <u>\$0</u>	 <u>(\$42,370)</u>	 <u>(\$1,413,949)</u>

***Subject to Appropriation; language
 indicates "shall"**

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
MISSOURI JUNIOR/SENIOR CADETS FUND			
<u>Transfer In</u> - General Revenue	\$0	\$0	\$1,374,386
<u>Transfer Out</u> - Tuition Reimbursements	<u>\$0</u>	<u>\$0</u>	<u>(\$1,374,386)</u>
ESTIMATED NET EFFECT ON MISSOURI JUNIOR/SENIOR CADETS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
SCHOOL DISTRICTS			
<u>Cost</u> - Administrative Costs for Mentoring Program	\$0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal establishes the Missouri Junior/Senior Cadets Program.

The program will encourage high school juniors and seniors to mentor kindergarten through eighth grade students in their respective school districts for a minimum of six hours per week during the school year. The proposal sets up eligibility criteria for mentors.

If a mentor successfully provides mentoring services for an average of at least six hours per week during a school year, the mentor shall receive: one hour of class credit which may satisfy graduation requirements; and if the mentor attends college with the stated intention of becoming a teacher, the mentor shall be reimbursed by DESE for the costs of one credit hour per semester

DESCRIPTION (continued)

for a total of no more than eight semesters.

The proposal also establishes the "Missouri Junior/Senior Cadets Fund" in the state treasury.

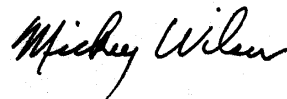
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Office of State Treasurer
Columbia Public Schools
Kansas City Missouri School District

NOT RESPONDING

St Louis Public Schools
Nixa Public Schools
Parkway School District



Mickey Wilson, CPA
Director
February 23, 2004